

# EXHIBIT 1

## Puerto Rico's revenues come in strong

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## **Body**

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Puerto Rico's September and October net revenues came in 12.3% above projections.

The net revenues were 0.2% above those of September and October of 2021, despite the impact of Hurricane Fiona in September, the Puerto Rico Treasury Department reported.

The hurricane led to a several-day power outage. Beyond its immediate economic effects, the department allowed residents and businesses to postpone payments of several taxes to Dec. 15, which also depressed collections compared to what they otherwise would be.

Inteligencia Econmica President Gustavo Vlez said, "Clearly, the economic data shows a stable economy supported by the reconstruction funds (Federal Emergency Management Agency and Community Development Block Grant), the remaining pandemic liquidity, strong manufacturing activity, stable retail, and healthy tourism activity.

"The labor market is still growing, a clear positive indicator of the effects of the income tax credit implemented in 2022 and the increase of the minimum wage," Vlez said. "Even though inflation is still high, consumers are showing some kind of resiliency to keep buying cars and other durable goods."

For July to October net revenues of \$2.951 billion were 8.2% above projections but 2.4% below those for the same months of 2021.

In the four months, the categories with the biggest haul were individual income taxes (\$625 million), corporate income taxes (\$564 million), sales and use tax (\$522 million), and foreign corporation excise tax (\$503 million). The tax categories with the biggest exceedances compared to projections in dollar terms were corporate (\$125 million) and individual income taxes (\$102 million).

In the four-month period, the Law 154 foreign corporation tax had the biggest shortfall compared to the budgeted projection (\$90 million). This was because the tax has since been replaced by a different tax, and, Treasury said, corporations were shifting their tax liability to the new tax period.

Due to Fiona, the Treasury allowed postponement of payments of individual and corporate taxes, sales and use taxes on imported merchandise for resale and on prepared foods.

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